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Chile

TOMATOES AND PRODUCTS ANNUAL

Fresh and Processed Tomatoes Annual

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Report Highlights:
Chile's fresh tomato production is expected to increase slightly, but planted area and production for processing fell significantly.

Commodities:
Select

Author Defined:

Fresh Tomato Production

Tomato Production and Trade				
	2007	**2008**	**2009** 1/	Units
Production for fresh use	6,350	6,400	6,500	Hectares
Production for processing	8,000	6,902	4,350	Hectares
Fresh consumption	268,000	275,000	270,000	M.T.
Consumption for processing	635,000	547,700	345,000	M.T.
Fresh exports	411	237	200	M.T.
Fresh Imports	0	0	1	M.T.

1/ Estimates

Planting of tomatoes for fresh consumption varies little from year to year and is not expected to change significantly in the coming years. Planted area for fresh consumption during MY2007/08 increased slightly as weather conditions were favorable for tomato production. For MY2008/09 another small increase in planted area increased will result in a larger output.

Mainly due to changes in varieties of tomatoes that have a longer shelf life but not as tasty, consumers have reduced out of season consumption of tomatoes, as was indicated by some producers. A slight fall in consumption together with a larger output resulted in a fall of domestic prices of almost 7 percent in real terms during 2008.

Tomatoes for fresh consumption are planted throughout Chile from Arica to Tierra del Fuego. Almost 1,500 hectares of tomatoes are planted in greenhouse with drip-irrigation systems, these are all for fresh consumption. Tomatoes that go to the processing industry are produced in the irrigated central valley of Chile, mainly from Region V through Region VII. In Chile there is a year-round tomato production for fresh consumption.

Out of the total tomato planted area for fresh consumption, 67 percent are planted from Region V (Valparaiso) through Region VII (Talca). Over 800 hectares are planted in Region I (Arica). A 66 percent out of the total planted area is produced in greenhouses in Valparaiso and a 13 percent is produced in Talca, also in greenhouses. An estimated 56 percent of the total planted area and production comes from small producers with less than 2 hectares planted. An estimated 24 percent comes from medium size producers with less than 8 hectares and 19 percent from large producers. In total there are over 9,200 producers of tomato for fresh consumption in Chile.

Tomato production for fresh consumption is estimated to be close to 280,000 MT, there are no official statistics kept on area planted or production in Chile. Out of this total normally 99 percent is destined for domestic consumption. Only small and variable amounts are exported every year. Imports are also very small and sporadic; as a result production of tomatoes for fresh consumption is determined fundamentally by the domestic market. During CY2008, statistics show imports of tomatoes for fresh consumption, from the United States. A total of 2.4 MT were imported with a CIF value of US$4,600.

Tomatoes in Chile are one of the vegetables used by the Authority to estimate the price index; consequently its prices variations have an impact in the monthly inflation rate.

Prices Table			
Country	Chile		
Commodity	Fresh Tomatoes		
Prices in	pesos	per uom	Kg.
Year	2006	2007	2008
Jan	96	155	111
Feb	104	130	156
Mar	151	127	214
Apr	170	150	282
May	201	227	273
Jun	323	325	230
Jul	318	291	200
Aug	312	387	176
Sep	349	499	258
Oct	357	526	428
Nov	297	345	317
Dec	230	186	320
Average	224	250	233
Exchange Rate	583	Local Currency/US $	
Date of Quote	30/04/09	MM/DD/YYYY	

Average domestic prices of tomatoes for fresh consumption have been falling slightly every year since 1992 mainly because total output has been growing also every year due to an increase in productivity. The use of improved varieties with longer shelf life and an increase of out of season production (in greenhouses) have contributed to increase the offer and reduce consumer prices. During the winter months tomatoes are mainly produced in Region I (Arica) which is over 2,000 Km from the main consuming area, Santiago. Production in Arica is followed by production in Region III (Copiapo) and Region IV (Ovalle).

Export Trade Matrix (Volume and Value)	
Country	Chile
Commodity	Fresh Tomatoes

Time Period	Jan-Dec	Units:	M.T.		
Exports for:	2006		**2007**		**2008**
U.S.	6	U.S.	1	U.S.	19
Others		Others		Others	
Spain	29	Argentina	396	Argentina	171
Argentina	23	Falkland Isl.	9	Spain	36
U.K.	8	U.K.	4	U.K.	12
Falkland Isl.	2	Netherlands	1	Falkland Isl.	1
		Japan	1		
		Mexico	1		
Total for Others	62		410		238
Others not Listed	0		0		0
Grand Total	62		411		238
Time Period	Jan-Dec	Units:	Thous.US $		
Exports for:	2005		**2006**		**2007**
U.S.	0	U.S.	2	U.S.	29
Others		Others		Others	
Spain	23	Argentina	412	Argentina	139
Argentina	11	Falkland Isl.	16	Spain	39
U.K.	15	U.K.	6	U.K.	18
Falkland Isl.	4	Netherlands	3	Falkland Isl.	2
		Japan	4		
		Mexico	1		
Total for Others	53		442		227
Others not Listed	0		0		0
Grand Total	53		444		227

Tomato Production for Processing

Total planted area of tomatoes for processing has been falling significantly during the last few years, as it was indicated by industry sources. As plantings follow the foreign demand for tomato products, the industry has been contracting smaller areas every year. Presently there are only two processing industries in Chile that produce tomato paste and these reportedly have most of their production committed at the time they fix planting contracts with the farmers. The fall in planted area and production has also been reflected in exports, mainly of tomato paste, which have dropped over 30 percent since CY2006.

Tomatoes for processing are planted from mid-September through early November of each year and harvested from early-mid January through mid April. During the planting season, frosts are an important limiting factor in many growing areas. A dry summer, with significant temperature changes between day and night during the growing season, allows growers to produce tomatoes with a deep red color. Over 95 percent of tomatoes harvested for processing are destined for paste production. The tomato products industry mainly targets the export market.

Tomatoes for industrial purposes are planted in the central area (Regions V through VII and the Santiago Metropolitan Region).